



THE CITY OF SAN DIEGO
MANAGER'S REPORT

DATE ISSUED: August 6, 2004 REPORT NO. 04-184

ATTENTION: Honorable Mayor and City Council
Docket of August 9, 2004

SUBJECT: Issuance of Request for Proposal for Acquisition of a Fire and Rescue
Helicopter

REFERENCE:

SUMMARY

Issues:

1. Should the City Council direct the City Manager to issue a Request For Proposal (RFP) to companies that are in the business of acquiring, completely refurbishing and overhauling, upgrading and delivering one (1) completed Bell 212HP helicopter configured for emergency multi-missions (fire, rescue, EMS, etc.)?
2. Upon completion of the Fire-Rescue Department's proposal evaluation process, should the City Council direct the City Manager to return to City Council with a recommendation to lease-purchase one (1) helicopter from a selected vendor through the City's Master Lease-Purchase Program?
3. Should the City Council authorize the City Auditor and Comptroller to add 1.09 Pilot and 0.33 Chief Maintenance Engineer to the Fiscal Year 2005 annual personnel appropriation within the Fire-Rescue Department using the existing Fiscal Year 2005 Regional Helicopter Program non-personnel expense budget?

Manager's Recommendations

1. Direct the City Manager to issue an RFP to companies that are in the business of acquiring, completely refurbishing and overhauling, upgrading and delivering one (1) Bell 212HP helicopter.

2. Direct the City Manager to return to the City Council with a recommendation to lease-purchase one (1) helicopter from a vendor selected through the City's RFP process utilizing the City's Master Lease-Purchase Program.
3. Authorize the City Auditor and Comptroller to add 1.09 Pilot and 0.33 Chief Maintenance Engineer to the Fiscal Year 2005 annual personnel appropriation within the Fire-Rescue Department using the existing Fiscal Year 2005 Regional Helicopter Program non-personnel expense budget.

FISCAL IMPACT:

Due to several unknown factors such as airframe availability and condition, it is impossible to determine the exact cost of a completely refurbished airframe. However, aircraft professionals have quoted us a cost range of \$2,750,000 to \$3,100,000 for the acquisition, refurbishment and delivery of a Bell 212HP helicopter with an expected delivery in the spring of 2005. The cost of the acquisition, refurbishment and delivery will be spread over a 10-year term through the City's Master Lease-Purchase Program. Only the estimated sales tax of \$240,250 will be required in Fiscal Year 2005. This will be funded from the Fiscal Year 2005 Budget for the Regional Helicopter Program of \$2,760,000. The ten annual estimated payments of \$385,200 will begin in Fiscal Year 2006.

The City's Fiscal Year 2005 Budget for the Regional Helicopter Program is \$2,760,000 and projected costs are \$2,738,555 as shown on the attached budget summary. This includes personnel expense of \$455,699 for 1.09 Pilot, 0.33 Chief Maintenance Engineer, related overtime and contracted Sycuan Golden Eagle Flycrew expenses. The Pilot and Chief Maintenance Engineer positions will be requested to be annualized to 3.00 Pilots and 1.00 Chief Maintenance Engineer in the Fiscal Year 2006 Proposed Budget. The remaining portion of the \$2,760,000 Fiscal Year 2005 Regional Helicopter Program Budget will be used to pay for the remaining eight months of the Kachina contract and fund start-up expenses of \$571,100 once the new helicopter has been procured. Existing firefighter staff will be used to operate the remaining program requirements through Fiscal Year 2005.

In Fiscal Year 2006 the Regional Helicopter Program is estimated to cost \$2,633,304. The appropriation used to fund the Kachina contract of \$1,543,188 in Fiscal Year 2005 will be converted to personnel expense to fund full-time required helicopter crew positions.

BACKGROUND

In February 2003, the City of San Diego issued a Request for Proposal (RFP) for furnishing an operated helicopter with support for a period of one year, with an option to renew the contract an additional four (4) one (1) year periods. San Diego Fire-Rescue Department awarded this contract to Kachina-Helijet Aviation of Boise, Idaho. This company submitted the best value proposal to the City of San Diego based on cost, type of equipment offered and experience.

On June 17, 2003, the Mayor and City Council adopted Resolution R-298093 which authorized execution of agreements with SAFE (Service Authority for Freeway Emergencies) and the County of San Diego to implement the Regional Helicopter Program (Regional Helicopter Program); and authorized execution of the contract with Kachina Aviation to provide helicopter services for the San Diego Region. Funding for the Helicopter Program was provided by SAFE, private donors, corporate sponsors and the City and County of San Diego.

The Regional Helicopter Program officially started on June 25, 2003, and operated for 120-days. The purpose of the Helicopter Program was to provide multi-mission emergency services to the City and County of San Diego during the height of the wildfire season. During this operational period the helicopter, designated as Copter 1, responded to over 135 emergencies including wildland firefighting, vehicle accident response, water rescue, technical air rescue, medical incidents and animal rescue. Copter 1 and crew were available for use, at no cost, to all public safety agencies in San Diego County.

The contract with Kachina-Helijet Aviation officially expired at midnight on October 22, 2003, and Copter 1 was scheduled to return to Idaho on Friday, October 24. Due to existing wildfires in Southern California and forecasted weather conditions, the California Department of Forestry (CDF) entered into a “call when needed” emergency contract with Kachina-Helijet Aviation to put Copter 1 into service under CDF’s jurisdiction. The helicopter was assigned to the fires in San Bernardino County. On October 26, the City requested Copter 1 return to San Diego and took over the contract with Kachina Aviation. On October 27, CDF released Copter 1 and it returned to San Diego to help fight the Paradise and Cedar Fires and coordinate air resources within the City.

On December 8, 2003, the Mayor and Council approved the City Manager’s request to extend the Kachina-Helijet Aviation contract until a permanent, countywide fire and rescue helicopter program is established and funded in San Diego County.

On May 11, 2004, the Mayor and City Council approved renewing the contract with Kachina-Helijet Aviation for a minimum of 180-days, beginning June 25, 2004, with a month to month extension of service beyond 180-days if necessary. Under this Program, the firefighting and rescue helicopter and crew will continue to provide multi-mission emergency services to the City and County of San Diego.

The City’s current contract provider, Kachina-Helijet Aviation is providing the Regional Fire and Rescue Helicopter Program with a Bell 212HP twin turbine helicopter (funded by the City of San Diego) and a Bell 205A1++ helicopter (funded by the County of San Diego), both are equipped with a 375-gallon water dropping tank and rescue hoist for a minimum of 180 days. Additionally, the company provides the pilots, maintenance engineers, maintenance, fuel, and fuel servicing vehicles, fuel servicing vehicle drivers, required equipment and insurance.

The San Diego Fire-Rescue Department (SDFD) is continuing to operate, manage and administer the Regional Helicopter Program through a Memorandum of Agreement with the Service Authority for Freeway Emergencies (SAFE). The helicopters and crews are based at

Montgomery Field Airport in Kearny Mesa (San Diego) and the Fallbrook Airport in north San Diego County (Fallbrook).

Following the devastating wildfires in October 2003, the nationally recognized and respected aviation consultant firm of Conklin & de Decker was retained by the City and County of San Diego to conduct a comprehensive study of the aircraft and program that best meets the region's needs. This study was produced in two phases. Phase I was completed in January 2004. The Phase I study recommended that San Diego County acquire and operate at least three (3) Type II helicopters to meet the region's multi-mission requirements. Of the Type II helicopters identified as options in the study, only a new or refurbished, twin-engine, FAA standard category certificated helicopter was recommended.

The study also identified three (3) alternatives as to which agency/program was best suited to provide aerial fire fighting and life safety emergency services. The result of the study clearly state that of the three alternatives identified, the Regional Helicopter Program was "the most realistic, while maintaining the multi-mission expertise that the region has developed during the last two years" and "places the control with the agency whose primary mission is fire protection, rescue and safety." Moreover, the following entities and reports support the current fire and rescue helicopter program in its entirety.

- San Diego County Grand Jury
- Conklin & de Decker Aviation Consultants
- San Diego County Fire Chiefs Association
- Regional Helicopter Advisory Committee
- San Diego County Life Safety Operating Council

DISCUSSION

For the past several months, the Regional Helicopter Program has been working with the San Diego County Fire Chief's Association in pursuit of acquisition funds to replace the contracted helicopter with a permanent helicopter. Two potential funding sources approached the Regional Helicopter Program to apply for funding: the Indian Gaming Local Community Benefit Committee (IGLCBC) and the County of San Diego.

On June 24, 2004, the IGLCBC awarded the Regional Helicopter Program, \$320,000 for operating support and \$1,500,000 to the Sheriff's ASTREA Unit for the acquisition of a fire-fighting helicopter. On July 13, 2004, the County Board of Supervisors voted unanimously to purchase a single engine Type II helicopter and awarded the County Sheriff's Department operational control of that resource rather than the Regional Helicopter Program. These two additional fire fighting helicopters will greatly enhance aerial fire fighting in the region. However, the Sheriff's program will not include motorist aid or Advance Life Support as the current Regional Helicopter Program does.

In order to meet the region's goal of at least three, permanent multi-mission helicopters for fire fighting, rescue and advanced life support operations in San Diego, the Fire-Rescue Department

is seeking approval to issue an RFP to secure a company to acquire, refurbish and overhaul, and deliver one (1) completed Bell 212HP helicopter configured for emergency multi-missions. This asset would be available regionally and on a 24/7 basis. In addition to its fire fighting capability, this multi-mission helicopter could effectively respond to the following missions:

- Water and cliff rescues
- Hoist rescues
- Vehicle rescues/traffic accidents/motorist aid
- Animal rescues
- Advanced life support and medical transport
- Transportation of public safety personnel and equipment
- Transportation of cargo
- Aerial reconnaissance

The end product must be a like new, “zero-time” helicopter with the capabilities and equipment currently in use by Copter 1. In addition, those companies that are capable of providing a guaranteed maintenance program(s) to the City of San Diego to include the airframe, power plant, drivetrain, components, parts, etc., or any part thereof, would be encouraged to state in detail, the level of support as well as the cost for the continued support offered. The Fire-Rescue Department will subscribe to an airframe and power plant (engine) guaranteed maintenance program that will ensure that the maintenance and any overhaul costs for the helicopter is manageable, predictable and fully covered under that Plan.

Once acquired, the helicopter will be a dedicated regional resource and will be available to all public safety agencies in San Diego County. The Regional Helicopter Program will continue to build on it’s regionally based training and staffing partnerships with all San Diego County fire and law enforcement agencies. In addition, the Fire-Rescue Department will continue to work with the San Diego County Fire Chief’s Association to develop a Joint Powers Authority or some other joint-funding mechanism to share the cost of the Regional Helicopter Program.

Respectfully submitted,

Jeff Bowman
Fire Chief

P. Lamont Ewell
City Manager

BOWMAN/BF

Note: Attachment 2 is not available in electronic format. A copy is available for review in the Office of the City Clerk.

Attachment: Fiscal Year 2005 and 2006 Annual Budget Summary
Equipment and Vehicle Financing Program Estimate for Helicopter